



General Assembly

Substitute Bill No. 207

February Session, 2004

* _____SB00207CE_FIN031104_____*

AN ACT ESTABLISHING A SEED CAPITAL FUND FOR EARLY STAGE COMPANIES IN THE BIOSCIENCES AND SOFTWARE AND INFORMATION TECHNOLOGY INDUSTRIES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2004*) (a) There is established a
2 fund to be known as the Seed Capital Fund. The fund shall contain any
3 moneys required by law to be deposited in said fund or as may be
4 provided by public or private investors in coordination with other
5 sources of public or private funds for the purposes of: (1) Increasing
6 the pace and growth of high potential start-up companies in the
7 biosciences and software and information technology industries; (2)
8 filling the gap that exists in the state for early stage funding of young
9 technology firms; and (3) encouraging and allowing financial
10 institutions, corporations and foundations to further invest in the state
11 by providing the opportunity for risk adjusted market rates of return.

12 (b) The Commissioner of Economic and Community Development
13 shall create a plan for the development of the Seed Capital Fund, as
14 described in subsection (a) of this section, on or before June 1, 2004, in
15 consultation with the Governor's Council on Economic
16 Competitiveness and Technology, the State Treasurer, Connecticut
17 Innovations, Incorporated and any other agencies deemed appropriate
18 by said commissioner. Such fund shall be jointly managed by
19 Connecticut Innovations, Incorporated and one or more private

20 managers selected by Connecticut Innovations, Incorporated and
21 approved by the Commissioner of Economic and Community
22 Development and be established no later than December 31, 2004.

23 (c) The fund management of the Seed Capital Fund shall, not later
24 than March 1, 2005, and annually thereafter, submit a written financial
25 report on the status of the fund to the Secretary of the Office of Policy
26 and Management, the joint standing committees of the General
27 Assembly having cognizance of matters relating to commerce and
28 finance, revenue and bonding, and the auditors of public accounts.
29 Such report shall include a balance sheet and income and expense
30 statement for the preceding calendar year and clearly set forth the
31 fund's income and expenses and all amounts spent for the direct
32 purpose of the fund.

This act shall take effect as follows:	
Section 1	<i>July 1, 2004</i>

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Joint Favorable Subst. C/R

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